<u>State Revolving Fund Loan Program</u>

an Indiana Finance Authority Environmental Program

100 North Senate Avenue, Room 1275 Indianapolis, Indiana 46204 www.srf.in.gov



MEMORANDUM

TO: Official Loan File

FROM: Amanda Rickard

DATE: November 28, 2012

RE: Green Project Reserve (GPR) Categorical Exclusion and Business Case

Town of Russiaville

SRF Project WW 09 64 34 01

The Town of Russiaville proposes improvements to its wastewater treatment plant and collection system to allow for 1) efficient operation and future growth, 2) improved operability, accessibility, and safety, and 3) reduction of infiltration/inflow to prevent unnecessary treatment of clear flow. The proposed project includes replacement of the Honey Creek Hills lift station, rehabilitation of approximately 3,500 feet of interceptor sewer and associated manholes, and treatment plant equipment and building upgrades.

The GPR components are interceptor and manhole rehabilitation, and replacement of existing constant speed influent pumps with new VFD driven pumps. Utilizing VFDs allow motors to operate proportional to the amount of work required, which reduces the actual energy consumed. A letter from the pump manufacturer identifies a guaranteed minimum 25% energy savings with the proposed pumps and VFDs, so this categorically qualifies for GPR under the energy efficiency category. Sewer lining reduces the amount of water that infiltrates into the system, therefore reducing the energy consumed by the influent pumps and reducing treatment costs. The business case developed by Hometown Engineering was reviewed and found to meet the GPR requirements for the energy efficiency category.

The total GPR cost is \$323,215. Of this, the construction cost based on the signed guaranteed savings contract is \$304,922 and engineering cost is estimated at \$18,293.

Russiaville plans on closing an SRF loan in the approximate amount of \$1,000,000 in December 2012.

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